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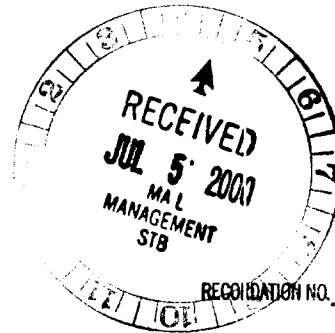
** Also licensed to practice
in Minnesota and Iowa

† Also licensed to practice
in Nebraska

July 1, 2000

VIA FedEx OVERNIGHT DELIVERY

Honorable Linda Morgan
Secretary
Surface Transportation Board
1925 K Street NW
Washington, DC 20423



JUL 6 '00 9-42 AM
TS

SURFACE TRANSPORTATION BOARD

RE: FULL TERMINATION of Security Interest - Recordation No. 19341
(Our File No. DM-100-05)

Dear Secretary:

Enclosed herewith, in compliance with 49 CFR § 1177.3, please find an original and three counterparts of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a Full Termination of Security Interest, a secondary document, dated March 27, 1995. The primary document to which this is connected is recorded under Recordation Number 19341, recordation date April 4, 1995 at 11:00 a.m.

The names and addresses of the parties to the documents are as follows:

Lessor: Wells Fargo Equipment Finance, Inc., f/k/a
Norwest Equipment Finance, Inc.
733 Marquette Ave
Investors Bldg., Suite 300
Minneapolis, MN 55402

Lessee: Dakota, Minnesota & Eastern Railroad Corp.
PO Box 178
Brookings, SD 57006-0178

A description of the equipment covered by the document follows:

Three (3) SD 40-2 3,000 HP model locomotives with the reporting marks:
DME 6365
DME 6368
DME 6370

Surface Transportation Board
Filing - Full Termination of Security Interest
Recordation No. 19341
3 SD40-2 locomotives - DME 6365, 6368, 6370
July 1, 2000 - Page 2

A fee of \$26.00 is enclosed. Please return any copies not needed for recordation to me with a notation of the recordation number, date and time of filing for our records.

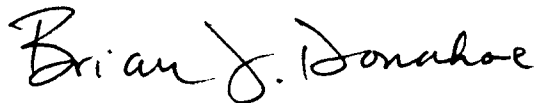
A short summary of the document to appear in the index as described in 49 CFR § 1177.4(a) follows:

Other secondary documents - Full Termination of Security Interest to Memorandum of Lease with Recordation No. 19341, dated June 30, 2000 and covering three (3) SD40-2 locomotives.

Should you have any questions or require additional information with respect hereto, please do not hesitate to contact me.

Sincerely,

CUTLER, DONAHOE & MICKELSON, LLP

A handwritten signature in black ink that reads "Brian J. Donahoe". The signature is written in a cursive, flowing style.

Brian J. Donahoe
For the Firm
Attorneys for Dakota, Minnesota & Eastern Railroad
Corp.

BJD:lk
Enclosures
cc: David Parrott

COPY

TERMINATION OF SECURITY INTEREST

RECEIVED
JUL 5 2000
MAIL
MANAGEMENT

THIS TERMINATION OF SECURITY INTEREST ("Termination") is made as of June 30, 2000, by Wells Fargo Equipment Finance, Inc. f.k.a. Norwest Equipment Finance, Inc., a Minnesota corporation (the "Secured Party"), for the benefit of Dakota, Minnesota & Eastern Railroad Corporation, a Delaware corporation (the "Debtor").

1. Recitals

- A. Secured Party and Debtor entered into a Security Agreement dated as of March 27, 1995 (the "Agreement") pursuant to which the Secured Party acquired a security interest in the three (3) SD40-2 locomotives described in Exhibit A attached hereto (the "Units"). The Agreement is on file at the Surface Transportation Board ("STB") under Recordation No. 19341 filed on April 4, 1995 at 11:00 AM.
- B. The lien on the Units has been released by the Secured Party and the Secured Party claims no security interest in said Units.

2. Termination of Security Interest

The Secured Party's security interest in the Units shall be and is hereby terminated upon the filing of this Termination with the STB and all of the Secured Party's right, title and interest in and to the Units shall be and has become null and void.

IN WITNESS THEREOF, the Secured Party, pursuant to due authority, has executed this Subordination on the date indicated below its signature.

WELLS FARGO EQUIPMENT FINANCE, INC.
f.k.a. Norwest Equipment Finance, Inc.

By:

Its:

Date:

[Signature]
[Signature]
6-30-00

RECORDATION NO. 19341-B FILED

JUL 6 2000 9:42 AM

SURFACE TRANSPORTATION BOARD

EXHIBIT A

Rail Equipment Description:


Three (3) SD40-2 Locomotives

Unit Number:

DME 6365

DME 6368

DME 6370

Initials: 

Wells Fargo Equipment Finance, Inc.
f.k.a. Norwest Equipment Finance, Inc.